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Prof. Snavely

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****The Bank publishes from time to time in this* MONTHLY REVIEW *signed articles by exponents of different theories on questions of public interest. The Bank is not necessarily in agreement with the views expressed in these articles.*

After Devaluation

By D. Graham Hutton

THE sudden devaluation of the French franc on September 25th—and of the Swiss franc, Dutch guilder and Italian lira which quickly followed—rounds off a five-year epoch. Between the abandonment of the post-war gold standard by Great Britain at the end of September, 1931, and the collapse of the gold *bloc* exactly five years later, the trading world was split into three main divisions: the countries that maintained former gold parities with relatively free gold movements between themselves (France, Holland, Switzerland and, after 1933, the United States with its new gold dollar); secondly, the vast constellation of countries whose currencies followed and were attached to sterling, known as the "sterling area" (the British Commonwealth, the Scandinavian countries, some of the Baltic States, Egypt, Argentina, and lesser States); and, as "wanderers in the middle mist," the extensive collection of "exchange-control" and/or "clearing" countries, the nominal parities of exchange of whose currencies were maintained by such controls, but whose trading and currency relations with other countries were in consequence subjected to arbitrary regulation, in the attempt to buy necessary imports with a currency of the nominal purchasing power and to secure additional exports with a currency already effectively devalued. One or two countries, e.g., Czechoslovakia, Belgium, Austria, and the United States—maintained former gold

parities for some part of the five-year period, and then effected some measure of devaluation to lower gold parities. In Austria, Belgium, and Czechoslovakia, owing to the need to equilibrate balances of trade and payments, vestigial exchange controls of differing degrees were retained, even after the devaluations.

But the importance of the collapse of the gold *bloc* does not reside in devaluation. It lies in the way in which that devaluation was facilitated by the financial authorities of Great Britain and the United States, and in the completely different world economic picture which was thereby presented. If the French Government were delaying devaluation until they had obtained the kind of agreement for co-operation between the British and American Treasuries which they finally obtained, that delay was well worth it. The great question is: How effective is this tripartite exchange agreement likely to prove for the future? Can we expect it to prove a basis for a return—gradual, inevitably—towards "normalcy" in international economic relations? Or is it to be taken only as a temporary lubricant for the machinery of devaluation in the gold *bloc*? If the former, a whole series of trade and exchange developments must be examined. If the latter, another series, tending towards more and more purely national trade and financial controls, looms ahead.

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The actual terms of the tripartite *communiqué* in London, Washington and Paris on September 26th deserve careful study. In it the three financial authorities announce their intentions jointly to use their Exchange Fund resources not only to maintain the dollar-sterling-franc triangle stable for the period of devaluation and its aftermath, but also to continue the Anglo-American joint policy of maintaining stable exchange relations, which has now been in successful practice for two years. Moreover, they throw out a broad hint that, if other countries seek to effect currency adjustments out of all proportion to the disequilibrium, if any, subsisting between their price-levels and those of other countries, or in any other way seek to upset the relations of other countries' currencies, these three financial authorities between them will be found in unison in repelling such attacks. Competitive currency depreciation is renounced by all three Powers; the need to extend world trade on a basis of stable currency relations is emphasised; and the necessity

for the removal of restrictions on commerce is urged. Moreover, and much more important, the three Governments have quickly agreed to free gold dealings between their three financial authorities. On October 12th it was announced in Washington that the Secretary to the U.S. Treasury, Mr. Morgenthau, had issued a regulation authorising in future "any country which gives reciprocal facilities to the United States" to obtain gold in the United States "in exchange for dollars." In the same declaration it was announced that the British and French Governments had arranged for such facilities to be afforded to the United States authorities; and that the new gold agreement would "greatly facilitate the technical operations of exchange control."

The three sets of authorities must have agreed on certain limits within which their Exchange Funds are to maintain their mutual exchange rates. This does not necessarily imply that the limits are fixed for all time, or even for as long a period as three months ahead. It probably means that the three Treasuries—and their day-to-day agents, the Exchange Fund authorities—have agreed to implement the clause in the joint *communiqué* of September 26th promising constant consultation, only in such a manner as to leave each fund free to manage its own exchange market without fear of unexpected incursions into it by either of the other funds. Thus, an effective stabilisation of the crucial triangle of rates can be achieved by day-to-day consultations, both on the state of each exchange market and on the state of the gold markets.

A question of great future significance arises here. How far are we entitled, in view of the foregoing, to anticipate a common front of all three Powers in future against further devaluations of their currencies? Their three Exchange Funds will be working from day to day in co-operative operations to maintain their mutual exchange rates steady. Any continuous and unremitting weakening of one of their currencies in future—say, due to a disproportionately rapid and high rise in that country's price-level, or to a chronic import surplus—will necessitate more than day-to-day conversations between the Exchange Funds. It will need either devaluation of that country's currency, or a bout of internal deflation (not communicated to the other countries, of course), or an arrangement for a short-term credit in terms of the other two currencies. There are obvious possibilities of big developments here; for

example, the gradual building-up of a clearing-house and compensation system for the three countries' trading and payments balances—not only among themselves, but also with the outside world; for the outside world's supply of or demand for their three currencies will necessarily enter into the work of the three Exchange Funds. Again, loans at short- or medium-term could probably be resumed within the triangle in terms of gold, once the three sets of authorities had perfected their co-operative machinery and were convinced of their ability to maintain their rates steady. Again, the terrible plague of the five-year depression period—the massing and manœuvres of huge liquid balances between financial centres—could be guarded against, and the effects of such capital flights offset between the three points of the triangle.

All these are possibilities, however; and it is still early days to estimate the actual extent of triangular co-operation and its effects. Much more important as an aftermath of the devaluations is their probable effect on the whole system of international trade.

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The devaluations past and gone, two dangers face the leading world-trading countries: (1) quite unrelated rises in national price-levels, following devaluations, rising commodity prices, revalued gold reserves, and a swelling of excess reserves in the different national commercial banking systems; and (2) the consequent emergence of new international disequilibria which might necessitate new deflations—with a depressing effect on the now slowly rising commodity price-level—or new devaluations. The former danger is the greater; it governs the latter. Clearly, during the last five years the governmental authorities in the United States, Great Britain and France have—by different methods—been compelled to follow the bureaucratic and rigid precedents established by Dr. Schacht in his conduct of the German national finances and economy. Foreign lending, domestic investment, budgets, tariff protection and quotas, kindly subventions to vested interests—these departments of governmental activity have come under progressively closer authoritarian control in America, Britain and France. Now that France and her associates have devalued, it is natural to expect a progressive relaxation of the restrictions on domestic and foreign investment and trade. Natural to expect it, for

once the three Treasury authorities of the leading world-trading Powers have agreed to maintain their exchange rates relatively steady, and have the means to control abnormal capital movements and to compensate their mutual balances of payments, it would appear to be to the interest of their producers, workers, and investors to enlarge the ambit of their mutual trade, as the area of steady exchange rates and prices has been enlarged. For this, undoubtedly the most efficacious antidote to a too-rapid and unco-ordinated rise of the price-level in one of these countries is the relaxation of restrictions on imports; and even the temporary unsettlement of the merchandise account need not prove dangerous to the relevant currency if the other two countries co-operate to supply the foreign exchange required to cover extra imports. Of course, in time, the too rapid rise of prices, costs and wages in the particular country must be checked, so as to come into line with the more gradual advance in the other two countries. But governments are principally nervous of increasing their country's imports because of the danger to the currency—despite the ultimate benefit this would bring for their export trade. Thus, if once the bogey of currency weakness due to increasing imports is laid by co-operation between the three countries' financial authorities, a real possibility of expanding world trade—and with it British invisible exports of shipping services, the transfer capacity of foreign debtors, commissions, etc.—emerges.

Here, naturally, the differing situations in the different countries demand different measures. For example, in this country recovery has been carried on by continuous credit-expansion, a private building-boom now in course of substitution by an industrial expansion of building, maintenance of cheap money, an unexpected heavy and rapid rearmament programme, and a consequently rapid recovery of industrial earning power. On the other hand, the necessary steep rise in imports of raw materials and semi-manufactures has not been offset to anything like the same extent by a growth of exports; and invisible exports have similarly lagged behind imports of merchandise. As a result, in the first nine months of 1936 the British balance on merchandise account was more unfavourable than in the corresponding period of 1935 by as much as £55 millions; and authoritative estimates placed the whole year's unfavourable trade balance at about £100 millions larger than in 1935. This raises a problem for the maintenance of sterling; for unless

invisible exports and visible exports together can offset it, or unless liquid balances of the entire sterling area in London can be increased to counteract it, a pressure on sterling would develop. This pressure might well lead to differences of opinion between the American, French and British authorities on the correct procedure to be adopted for alleviating the pressure and maintaining the desired stability of the exchange rates in the triangle. True, the joint *communiqué* of September 26th reserves the right to each national authority to independent action for domestic credit problems; and this point has been twice emphasised by the Chancellor of the Exchequer in the month which has elapsed since publication of the joint statement. But at a time when interest rates have been carried to very low levels and steadily maintained there by continuous State intervention through banking policy, the resultant Stock Exchange boomlet constitutes a certain problem. It cannot be allowed to collapse at a time when the sharp recovery of industrial earning capacity has driven big concerns into the gilt-edged market; for banks, insurance companies, big industrial combines and concerns are to-day in an extraordinarily high state of liquidity; and the figures of investments and liquid deposits show no diminution of note. Again, the Stock Exchange boomlet and the continuance of very low yields on quality stocks and shares, coupled with the more attractive speculative chances in the United States, may lead, after the result of the American Presidential election in November, to a considerable increase in the steady outward flow of more or less speculative funds to Wall Street. Thus, on the one hand the need to increase our exports (visible and invisible) is now more important than before, lest purely domestic factors conduce to something like a credit-inflationary boom. At the present stage of domestic recovery, and on top of the rearmament expenditure which itself coincided with a "normal" peak in the trade cycle of the last five years, a progressive continuance of credit-expansion will tend to raise costs, prices, and—we should not ignore current evidence in the world of labour—wages. On the other hand, measures to expand our visible and invisible exports *pari passu* with the growth in imports, caused by the progress of domestic recovery, must not unloose deflationary tendencies in the national economy; for no responsible opinion in this country would envisage such a tendency to-day with equanimity.

Abroad, the aftermath of the gold *bloc* and other devaluations raises similar problems. The lira is devalued; but it is hard to see what direct advantages can be expected to accrue to Italian trade and finance as long as that trade and finance are enclosed in the strait-jackets of clearings and bilateral or trilateral trade agreements of a strictly compensatory nature. Here, the positions of the Austrian and Hungarian currencies, as well as of their foreign trade, are directly affected; positions which, we must assume, will be somehow regularised at the Vienna meeting early in November between the Italian, Austrian and Hungarian economic experts. While the Hungarian currency was effectively devalued for foreign trade purposes last December—by the virtually uniform premium placed upon foreign exchange proceeds—the Austrian currency has remained at the level of devaluation which was recognised in the freeing of the exchanges three years ago. After the Swiss devaluation, and still more after the latest Czech devaluation, the Austrian currency and trade position must be examined *ambulando;* and to a lesser extent this is true of the pengö also.

In the whole of Central and South-Eastern Europe—still to-day, as a region, an important British market—the régimes of clearings and bilateral trade agreements (not only among the relevant countries, but also between them and their important customer Germany) must in future undergo other influences than in the last five years. The fashioning of a wider area of relative currency stability over the entire American, British and erstwhile gold *bloc* territories, and even more the progressive freeing of international commerce within that area, would from now onwards combine with gradual world-wide recovery and steadily rising prices of primary products to render that area more attractive to the Central and South-Eastern European exporters. *Pro tanto,* the clearing and compensation agreements would become less profitable, less attractive.

In this connection the situation of Germany becomes very important, if not critically so. For all international transactions —including payment and transfer of German debts—the Reichsmark is already effectively devalued by perhaps as much as 50 per cent., on the average, of its gold parity. There are no really free gold Reichsmarks which could now be devalued so as to bring Germany any trading or financial advantage.

New kinds of restricted marks could, of course, be created; and at lower effective levels of exchange value; but so long as the " New Plan " is maintained, and so long as it continues to perform its special function of abolishing export surpluses of a " free " kind, no devaluation can be effected which would range Germany with France, Britain and the United States. Thus, as in the case of Italy, the real commercial and exchange advantages of a devaluation in Germany depend on progressive freeing of trading relations between Germany and other countries over a widening area. This dilemma in German economic policy has not yet been solved; for it hangs together with purely domestic German financial and industrial policy.

As to the great oversea countries which supply Europe's needs of raw materials and foodstuffs, the extension of the freer-trading and more stable currency area, coupled with the already evident rise of world prices, must improve their trading and currency positions. Incidentally, as the sterling area contains many of such countries, they may exercise the preponderant influence in maintaining the stability of sterling, by accumulating liquid balances in London, as the British import surplus on merchandise account increases. Here again, however, the real danger is that of *short-term capital movements* outward from London to countries *outside* the sterling area. And thus, again, the tripartite exchange and gold agreements between the financial authorities of London, Paris and Washington hold out hope that the co-operative use of their Exchange Funds in a common policy will avail to offset disturbing movements.

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To conclude: the new situation presented to the trading world by the recent devaluations and the agreements accompanying them provides the first basis in five years for greater normalisation of economic relations over a wider area of the world's surface than we have been able to envisage throughout the long depression. While optimism would be unwarranted, we can at least discern very real advantages, which continuous and complete co-operation between the financial authorities of a progressively increasing number of countries might secure. Quotas have already been expanded and even tariffs lowered in the erstwhile gold *bloc* countries. The re-election of President Roosevelt must powerfully reinforce the already evident movement in America for a gradual relaxation of

American trade restrictions. And the International Chamber of Commerce in Paris at the end of October drew up a plan for the progressive and strictly mutual relaxation of such restrictions between members of a freer-trading group of nations.* On all sides, and in many countries to-day, bankers, merchants, manufacturers, and primary producers view the "recovery" aspects of steadily rising prices and of purely domestic credit and currency operations with a certain inner misgiving. They are beginning to suspect that the world-trading countries have reached the cross-roads. The employment that results from increased visible and invisible exports will only be achievable by a progressive relaxation of all those economic strait-jackets in which governments for five years have enclosed manufacturers, traders, bankers and investors. The alternative, which is beginning to command almost universal apprehension, is one of unco-ordinated domestic recoveries in each nation, maintained and stimulated by more and more extensive governmental restriction and intervention. Its dangers are most evident in the great world-trading countries; but in all countries there is a growing realisation that more and more bureaucratic constriction of trade and investment can scarcely bring anything approaching general recovery. On the threshold of a world-wide movement upwards of price-levels, it is essential that this movement should be internationally controlled and co-ordinated over the widest possible trading area. Otherwise we must all envisage new disequilibria. And this time the disequilibria will eventually arise as much between economic interests inside each nation as between the nations once again. It is greatly to be hoped that, in many countries, the will and the opportunity may this time coincide.

D. GRAHAM HUTTON.

October 26th, 1936.

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* Reference may perhaps be made here to the Author's suggestions in this connection in the article "Our Economic Discontents," in the May issue of this Review.

Notes of the Month

The Money Market.—During October money became definitely less plentiful. While there was no actual shortage, the clearing banks had to call more regularly than had been necessary for some time past, and they were also less ready to buy bills. There was practically no demand for January maturities, and while December bills could still be disposed of at $\frac{1}{2}$ per cent., the rate for January Treasuries was in most cases $\frac{9}{16}$ per cent. The result was that the average tender rate for Treasury bills, which was only a few pence over 10s. per cent. during September, rose on October 23rd to 11s. 5·44d. per cent., that is, to just over $\frac{9}{16}$ per cent.

The cause of this change in conditions lay in an accumulation of cash in public deposits at the Bank of England. This first became noticeable on September 30th, when public deposits rose from £10·4 to £49·7 millions, while bankers' deposits fell from £108 to £60·7 millions. This big transfer of funds was partly explained by the heavy payments for December 30th Treasury bills made on September 30th, and it was then expected that the following week most of this money would return to bankers' deposits. These expectations have not entirely been fulfilled, for after falling to £24·8 millions on October 7th, public deposits rose to £37·6 millions on October 21st, though excise duty receipts were partly responsible for the increase on the latter date. Conversely, bankers' deposits remained during those three weeks at little more than £80 millions, contrasted with over £100 millions in September. By November 4th public deposits had fallen back to £27·2 millions, while bankers' deposits had risen to £85·3 millions. Even so public deposits remained on the high side.

One possible explanation of the high level of public deposits arises from the fact that the devaluation of the gold *bloc* currencies has been followed by the repatriation of funds from London to France and more noticeably to Holland and Switzerland. During the fortnight ended October 21st the note circulation fell from £450·8 to £440·1 millions, which suggests there was then some Continental dishoarding of British currency. To cover this repatriation of funds to the Continent, the British Exchange Equalisation Account was buying sterling early in October, and this sterling may have been lodged in public deposits at the Bank instead of being

invested in Treasury bills, as is the normal procedure of the Exchange Equalisation Account. The effect of this change in procedure would be that any withdrawals of foreign funds from the British banks would be offset, not by a reduction in their holdings of Treasury bills (due to the acquisition of bills by the Exchange Account), but by a reduction in their cash, that is, in their deposits at the Bank of England. On the other hand by November 4th, the note circulation had risen to £447·1 millions, which suggests that on balance there has been little foreign dishoarding.

Another explanation is that during October there were heavy official sales of 2½ per cent. Funding Loan, previously held by various public departments. The purchasers of this stock would pay for it by cheques on the joint-stock banks, and the suggestion is that the proceeds of these cheques have been lodged in public deposits. Whether the departments have been taking advantage of the recent strength of the gilt-edged market, or whether they are making preparations in case they have to support a new Government Loan, is a matter for conjecture. The only fact which has so far occurred is this increase in public deposits to an unusually high level.

It is conceivable that the authorities desired to stiffen conditions slightly during the weeks immediately following the devaluation of the gold *bloc* currencies. Also, if the Exchange Account's sterling purchases, made to cover foreign repatriation, had had their normal consequence of reducing tender issues of Treasury bills while leaving the supply of bank cash intact, these operations would have tended to ease the credit position. This would have been an illogical consequence of the withdrawal of foreign funds from London. To allow public deposits to expand was an easy way of escape from this paradox. At the same time it is abundantly clear that there has been no change in the Government's policy of cheap money. This has not only been confirmed by recent Government pronouncements, but also on October 21st, when a serious shortage of money began to develop, the authorities at once stepped in and eased the situation by making heavy open-market purchases of bills. It is quite possible that the early October expansion in public deposits is purely temporary, and the subsequent drop rather confirms this view. Even during October there was no real stringency, and the policy of cheap money remains unchanged.

The Foreign Exchanges.—Conditions have been fundamentally changed in the foreign exchange market by the devaluation of most of the gold *bloc* currencies and by the institution of Exchange Funds in France and Holland. The degrees of devaluation in terms of gold are as follows :—

France : 25·2 to 34·4 per cent.
Switzerland : 26·0 to 36·5 per cent.
Italy : 40·9 per cent. exactly.
Czecho-Slovakia : 10·6 to 16·0 per cent. (on top of the 16·6 per cent. devaluation of February, 1934).

Holland has abandoned the gold standard and has not yet announced any new value for the guilder in terms of gold. It will be seen that most countries have followed the American precedent of January, 1934, and have left their governments free to vary the gold parity of their currencies at will within fairly wide limits. One result is that exchange rates are now largely fixed by co-operation between the various national Exchange Funds in accordance with the Tripartite Agreement disclosed on September 26th. A subsequent agreement was announced on October 12th, under which the Exchange Funds of France, England and the United States are prepared to sell gold to each other. The London market price of gold is now determined by the sterling-dollar exchange, as the American price remains at $35 per ounce. The price at which the various Exchange Funds deal in gold between each other is subject to their own day-to-day arrangements and is not disclosed.

An early consequence of devaluation in Paris was that the pound was left free to find its natural level against the dollar, instead of being held up by the franc. The pound has consequently fallen from $5·06 to $4·88, at which last rate it has remained very steady. No official intervention is expected, unless the pound either falls below $4·86 (the old parity) or rises to $4·95 or $5·00. In early October the French authorities held the franc at Frs.21·40 against the dollar (in place of the old parity of Frs.15·09), but the rate has since weakened to over Frs.21·50. Sterling has on the whole remained at between Frs. 105 and Frs.106 (in place of Frs.76 or Frs.77). Repatriation of money from London to Paris has only proceeded slowly since devaluation, partly because of the penal French taxation on devaluation profits. Also French internal prices and costs are still rising, and there are fears that the amount of devaluation may have been insufficient and that the franc is still over-valued.

Hence the Paris exchange has been inclined to be weak, and three months' francs have been at Frs.3 discount, or 12 per cent. per annum, which is a wide margin for a newly-devalued currency.

Swiss francs have been very steady at the new rates of Frs.21·28 to the pound, against Frs.15·50 in September. Forward Swiss francs are now at a slight premium, and there has been some repatriation of Swiss funds. The Dutch guilder, which is now riding free from gold, first depreciated against sterling from Fl.7·50 to Fl.9·40, and has since been erratic at around Fl.9·10. It has at times been strengthened by the repatriation of Dutch funds and by Belgian purchases of guilders for the purpose of repaying the Mendelssohn credit, but forward guilders have been at a discount, and the view is held that in the long run the guilder may have to depreciate further.

This was the position at the end of October. There is a certain movement of funds from Europe to Wall Street, to take advantage of the activity in the American stock markets, but the seasonal commercial demand for dollars is limited. There has been comparatively little repatriation of funds to France, but rather more to Holland and Switzerland. These are the main tendencies, and otherwise the exchange rates have been largely under the control of the various authorities. The readjustments consequent upon devaluation may not yet be complete, but the market has now to reckon with official international co-operation and control.

The Stock Exchange.—Markets were very firm during most of October. On one or two occasions there were temporary set-backs, but these were largely due to profit-taking and in the main were healthy movements. The gilt-edged market has been firm with little net change in price, but fresh official offerings of 2½ per cent. Funding Loan were readily absorbed, in spite of several successive increases in the official "tap" price. In the foreign bond market, Continental issues were depressed by political uncertainties, but Argentine bonds responded to the new 3½ per cent. conversion issue. Home rails have maintained their strength on good traffic returns, but there has been little net rise in prices. Argentine rails have improved. The industrial market developed great activity immediately after the gold *bloc* devaluations, but the rise in prices was at times checked by profit-taking. The new capital issue market has been active, with one or two

outstanding successes. The oil share market was very active during October. The rubber share market revived on the Dutch suspension of the gold standard, as companies operating in the Dutch East Indies should benefit from the depreciation of the guilder, but during October the subsequent trend was in the direction of firmness rather than activity. In early November, however, there was a sudden outburst of activity with spectacular advances in prices. Gold-mining shares responded to the rise in the sterling price of gold, which was one consequence of devaluation, but the market has since become quieter. Among base-metals Rhodesian copper shares have attracted fresh demand as the result of the month's rise in the price of copper. Tin shares also rose on the news of the renewal of the restriction scheme.

Overseas Trade.—The September trade returns show that imports are continuing to run ahead of exports. Comparing September, 1935 and 1936, imports rose from £60·8 to £71·9 millions, and British exports only from £34·1 to £37·0 millions. Re-exports were unchanged at £3·8 millions. The expansion in imports was well spread over the three main categories of food, raw materials and finished goods, and there is no doubt that the expansion in home trade and consumption, together with the rising trend of world prices, is adding to the total value of our imports. On the other hand there was an increase of £2·1 millions in exports of British manufactured goods, while coal exports showed an improvement of £183,000 over last year.

Description.	Jan.–Sept., 1935.	Jan.–Sept., 1936.	Increase (+) or Decrease (−)
	£ mn.	£ mn.	£ mn.
Total Imports	539·4	608·0	+ 68·6
Retained Imports	498·9	562·5	+ 63·6
Raw Material Imports	151·2	178·2	+ 27·0
Manufactured Goods, Imports ...	134·4	155·9	+ 21·5
Total Exports, British Goods ...	311·8	320·1	+ 8·3
Coal Exports	23·5	21·5	− 2·0
Iron and Steel Exports	26·4	26·2	− 0·2
Cotton Exports	45·0	45·2	+ 0·2
British Manufactured Goods, Exports	242·8	249·6	+ 6·8
Re-exports	40·5	45·5	+ 5·0
Total Exports	352·3	365·6	+ 13·3
Visible Trade Balance	−187·1	−242·4	− 55·3

The returns for the first nine months of the year show that the adverse visible trade balance is £55 millions greater than in the corresponding part of 1935. For the complete year the increase may be as much as £80 millions. Our 1935 silver export surplus of £14 millions is also unlikely to be repeated, as American purchases in the London market are now less active. Our invisible exports, such as net shipping earnings and dividends and interest on overseas investments, ought to show an improvement over last year, but nevertheless last year's favourable balance of payments of £37 millions may be followed this year by a deficit of about £30 or £40 millions. These estimates are entirely conjectural, but whatever the final deficit it should be well covered by the proceeds of the year's amortisation of some of our overseas investments. Thus no serious strain upon sterling need be feared.

Commodity Prices.—The rise in world wholesale prices has continued during October. Stocks of staple products such as wheat and maize are being reduced, while prices of such commodities as wool and non-ferrous metals are being raised by the defence expenditure of different nations. Evidence of the growing world demand is found in such recent developments as the October increase in the copper production quota. Unlike the suspension of the gold standard in Great Britain, which gave world prices a fresh downward impetus, devaluation in the gold *bloc* countries gave world prices a new upward thrust. The first reason for this difference is that while we went off gold in the middle of the trade depression, the recent devaluation has come at a time of expanding world trade. Again, sterling is a far more important determinant of world prices than are the franc and other gold *bloc* currencies, so that whereas in September, 1931, sterling prices only rose a little while world prices fell heavily, in October, 1936, French prices have risen appreciably while the rise in world prices has not been interrupted. Finally, the devaluation of the gold *bloc* currencies have already been accompanied by some reductions of tariffs and import quotas, and has aroused hopes that it will lead to a general freeing of world trade.

During October, British wholesale prices advanced by 1·9 per cent. Sterling prices of primary products alone rose by 0·9 per cent. In the United States, wholesale prices rose by 0·6 per cent., and primary products rose by 0·9 per cent. In France,

price increases were naturally most marked in the case of imported products, where the devaluation of the franc took full effect. Here the average rise during the first three weeks of October was 8·8 per cent. Home-produced goods only advanced by 6·4 per cent., and the average wholesale price increase for all commodities was 9·9 per cent. These increases are less than the amount of 30 per cent. by which the franc was devalued in practice, so that France has on balance improved her competitive powers.

In England, the official cost-of-living index number rose during September from 47 to 48 per cent. above its pre-war level. The latest figure compares with one of 45 for the end of September, 1935. Retail food prices rose from 31 to 32 per cent. above their pre-war level. At the end of September, 1935, this index stood at 28. The movements during September of this year appear to have been seasonal.

Home Reports

The Industrial Situation

The trade revival continues to make progress. The number of employed workers on October 26th was 11,103,000, which is a new high record, and reports from most of the chief industrial centres remain encouraging. Outside the special areas, unemployment is probably now as low as it ever can be and there is a growing shortage of skilled labour. Even in the special areas unemployment, though still very serious, has diminished during the past few years. The iron and steel and engineering trades are everywhere very active. Rearmament work is now in full swing and is being superimposed upon the new demands that have arisen from the trade revival. Building is still active, but during September there was a drop in the total value of building plans passed, and it is possible that the industry is approaching its peak. The autumn motor show proved very successful with orders in excess of last year. The textile, clothing, boot and shoe, and other consumers' goods industries are now making progress, and consumption as indicated by retail sales continues to run ahead of last year. More general indicators, such as raw material imports, railway goods traffic returns, electric power consumption and the inland coal demand, also confirm the continuance of the trade revival.

So far the devaluation of the gold *bloc* currencies has not had much effect on British trade. There is little evidence of any fresh Continental competition, and the general feeling is one of hope that devaluation will facilitate a general reduction of tariffs and import quotas, and will so lead to a world trade revival in which Great Britain will have her share. The existence of these hopes may help to explain the October rise in world commodity prices, but the impression at the end of the month was that considerable patience will be necessary. Apart from the initial relaxing of some of the French, Dutch and Italian customs duties and import quotas, made with the express object of checking any rise in internal prices due to devaluation, no progress towards freer world trade has yet been made. Also it is difficult to see how countries such as Germany can relax their exchange restrictions as these have now become an integral part of their economic and social systems.

Meanwhile the question has been raised whether the trade revival and rise in prices in England is not proceeding too fast, and it is even suggested that some increase in interest rates might soon be salutary. It may be granted that prices on the Stock Exchange have risen to a high level, and it may be that new capital issues are beginning to need more careful scrutiny. Yet while production costs are now beginning to rise, there is no sign that they are yet becoming too high. Again, so long as unemployment remains severe in the special areas, any argument for applying a brake to the trade revival cannot easily be justified. For this reason alone, all suggestions of dearer money at home appear to be premature. There may be a case for vigilance at the present moment, to prevent unhealthy speculative positions from developing, but there is as yet no case for any positive action. The most that can be said is that outside the special areas the argument for initiating public works for the sole object of relieving unemployment no longer possesses the force that it did a few years ago, or which it may possess in a few years' time. Public works to-day should be undertaken mainly with regard to the needs of the special areas.

Agriculture

England and Wales.—According to an official report, corn crops are in fairly good condition and generally free from disease. The estimated yields of wheat, barley and oats, at 15·7, 15·8 and 14·6 cwt. per acre respectively, are below the ten years' average. The yield of main crop potatoes is forecast at 5·9 tons per acre, which is 0·5 ton below the ten years' average. The yield of turnips and swedes, estimated at 12·0 tons per acre, is above the average, but that of mangolds, at 17·8 tons per acre, is below. Owing to the protracted harvest, autumn cultivation is not so forward as usual. Cattle and sheep have done well, and hill sheep are in good condition. Milk yields are normal.

Scotland.—Favoured with good weather, potato lifting has proceeded almost without interruption, and the bulk of the main crop is now in pit. Reports refer to the effect of blight in some districts which may affect what is proving to be about an average crop, and prices have opened at about 70s. per ton for ware. Sugar beet is promising well generally and lifting is now in progress. Larger supplies of new grain are coming

into the produce markets, and prices are tending to be easier. In the livestock markets good quality bullocks have met a steady demand, but secondary qualities were easy at most centres. Sheep have been a good trade generally with stores a feature.

Coal

Hull.—Business in washed singles and washed smalls is particularly brisk both for prompt and forward delivery, and prices are very firm. For other qualities there is not so much pressure, but collieries are able to maintain high prices through collective selling.

Newcastle-upon-Tyne.—The market is firm. Enquiry for forward business is good, and sellers have no difficulty in maintaining prices. Best steams are strong, gas and coking coal have been moving well, and bunkers are a good market. Coke is also a strong market, very little being available for export, and prices remain high.

Sheffield.—There is a steady flow of orders for all grades of industrial fuels, and prospects are favourable. Export business has increased in volume and enquiries for forward delivery are more numerous. All qualities are in fair supply with the exception of singles. The household coal market is firm.

Cardiff.—Shipments have improved slightly, and a fairly good inland demand is maintained. Large coals show no improvement, but the demand for washed smalls and sized coals is fully maintained, and enquiry for ordinary smalls is slightly better. Cokes of all descriptions continue in strong demand.

Newport.—Foreign coal shipments during September amounted to 135,500 tons, or 900 tons less than in August and 30,000 tons less than in September last year. Dock shipments, foreign and coastwise, totalled 154,000 tons, compared with 198,000 tons in August, and 166,000 tons in September, 1935. Colliery outputs in September were below the level of September, 1935, or 1934, in spite of the continued fairly good inland demand.

Swansea.—The tone of the anthracite market is good. Most qualities of large are moving satisfactorily, and the better qualities are scarce and firm. Sized anthracites are also receiving

attention, and supplies of some of the best quality coals are difficult to obtain. Peas and grains are in very strong demand. Steam coals are commanding little attention.

East of Scotland.—In Fife both first and third class steams are in good supply, the former in particular being very easy. All classes of washed fuels with the exception of trebles are being taken up steadily. In the Lothians steam coal continues weak. Washed fuels are steady.

Glasgow.—Business is quiet. Inland demand for house coal has not expanded appreciably, in spite of the colder weather, and there is no marked improvement in the outlet for screened coals for shipment abroad. Large coals are consequently plentiful. Prices of round coal, which are controlled by selling committees, are on the whole steady. Washed nuts are scarce, partly as a result of curtailed outputs, but also owing to a good general demand, and prices are firm. Exporters are finding it difficult to arrange forward business, and are disinclined to sell speculatively, as the outlook for the market is very obscure.

Iron and Steel

Birmingham.—Producers continue to work at full pressure. Makers of pig-iron have in many cases almost exhausted their heavy stocks, and are only allowing their customers their usual average tonnage. Neither in foundry pig-iron nor hematite will makers sell beyond the end of March, 1937. In many instances costs are advancing, and it would not surprise the market to see prices raised for business next year.

Bristol.—There has been practically no change in the industry.

Sheffield.—There is no sign of any slackening of activity. Steel plants are working to capacity, and order books are full for some time ahead. It is now pretty certain that this year's output will constitute a record. Unemployment returns for October show a decrease of 10,348 compared with October, 1935, and of 13,239 compared with October, 1934. The scrap position is rather quiet, owing to the importation of foreign materials.

Tees-side.—Production of steel is maintained on a record scale, but is still insufficient to satisfy demand. The revival of shipbuilding has released a large number of shipyard specifications. Structural requirements are exceptionally heavy, and

more railway material is being supplied than for several years. Additional steel-producing plant is being prepared, and by the end of the year the output is expected to be increased by nearly 10,000 tons per week. Ironmasters are having to impose a strict system of rationing in deliveries of foundry iron, and East Coast hematite makers find the bulk of their production immediately absorbed by current obligations. Many pig-iron manufacturers have sold the whole of their output to the end of this year, and a large proportion have disposed of the greater part of their supplies to the end of March, 1937.

Walsall.—Tube manufacturers are well employed, and have good orders in hand.

Newport.—For both July and August the output of steel in South Wales has exceeded that of any other district in Great Britain, while the output of pig-iron has exceeded that of any month for this district for the last six years. The Monmouthshire works have shared satisfactorily in the increase in steel production, and will take a still larger share when the Ebbw Vale works are completed.

Swansea.—The tinplate market displayed more activity during September. Export business improved and satisfactory conditions ruled at home. Works were busier, and the industry was employed at 64·2 per cent. of capacity.

Glasgow.—The demand for all classes of steel, finished and semi-finished, is very active, and the resources of the works are being taxed to the utmost in an effort to meet consumers' requirements. Home demand continues to predominate, but a fair number of overseas orders have been booked. Makers of sheets are also busy, and export business has improved. The tube trade is sharing in the general improvement. Home orders are plentiful, and the works are well employed. Steel re-rollers are operating their plants on a full-time basis, and if they were assured of full supplies of raw materials they would have no cause for anxiety. In the pig-iron industry fifteen furnaces are in blast and outputs are being readily absorbed by consumers.

Engineering

Birmingham.—Production in almost all lines in both the heavy and light sections is running at a high level. The motor

industry is busy, and makers of components are increasingly active. Manufacturers of aircraft parts, and drop-forging makers are busy with Government contracts. Production of stainless steel tubes continues to expand. Constructional engineers have plenty of work on hand and electrical engineers remain very busy. In a few industries some adverse effects have been felt through the recent currency devaluations.

Bristol.—In the aircraft manufacturing section employment remained satisfactory. Other sections showed little change. There was a slight seasonal increase in unemployment in the building industry, but the position compares favourably with a year ago, and a number of large contracts are being carried out.

Coventry.—Motor manufacturers continue to be fully occupied. Engineering works in all branches are very active.

Leeds.—The recent improvement continues and there is a shortage of skilled workers.

Leicester.—Home trade is quite good, but there has lately been a slight slackening of orders, presumably owing to the holiday period. Very busy conditions are expected to prevail at least until the end of the year, owing to expenditure on armaments.

Sheffield.—Conditions in general engineering show a further improvement and prospects are very encouraging. All sections of the tool trade continue busy, and in many sections demand is exceedingly heavy and by no means easy to meet. Extensions to works are taking place, but long delays are being experienced in obtaining deliveries of new machines, and skilled labour is scarce.

Walsall.—Both the light and heavy engineering trades are well employed.

Wolverhampton. — Engineering firms remain active. Suppliers of aeroplane components are working to full capacity. Electrical machinery and plant continues in good demand. Pump manufacturers are fully employed, and the building and allied trades are also well engaged.

Glasgow.—There has recently been a lull in the flow of new orders in the ship-yards, but, in view of the substantial amount of work on hand, most of the yards should be busy

for some time ahead. During the third quarter of the year there was an increase of over 100,000 tons in the volume of work in hand, while launchings for the nine months to September at 215,000 tons are already more than 40,000 tons above the total for the whole of 1935. With the exception of 1934, the year of the launching of the *Queen Mary*, this is the first year since 1930 that launchings have been above the 200,000-ton mark. Work is shortly expected to begin on the new Cunarder. Marine engineers are busy, and boiler-making firms are well employed, mainly on home orders.

Metal and Hardware Trades

Birmingham.—Business in the cold rolled brass and copper section is heavy, and the price of copper is still increasing. The brass metal trades generally are busy. The hardware trades are very well employed.

Sheffield.—There has been a considerable improvement in all branches of the cutlery, E.P.N.S. and sterling silver trades, owing chiefly to the placing of orders for the Christmas trade. Table cutlery is in better demand, while deliveries in the spoon and fork sections are being retarded by the shortage of labour in the buffing sections. The pen- and pocket-knife section has improved. The scissor trade is well employed, and business in safety-razor blades is brisk, but prices are ridiculously low.

Walsall.—Hardware manufacturers report that business is good.

Wolverhampton.—The general hardware trades are good, and the output of locks and fittings is fully maintained. The hollow-ware trade is also favourably situated.

Chemicals

The chemical market was more normal in October. Wood distillation products were good, and the demand for charcoal and wood tar showed a considerable increase. The coal tar market was slack. Exports of chemicals, drugs, dyes and colours in September increased by £59,081 in value, compared with September, 1935. Imports increased over the previous month.

Cotton

Liverpool.—The business on the " spot " market has been good throughout the month, and the trade demand well maintained despite currency and political uncertainties. Persistent buying of American cotton continues and while forwardings to American mills are exceptionally heavy, consumption in Great Britain and on the Continent is well above the average for recent years. Values on the " futures " market have appreciated within narrow limits, although the United States Bureau October report was slightly " bearish." Many factors are contributing to the firm tone of the market. The world consumption of cotton continues to increase, and the heavy new crop " hedge " selling has been readily absorbed through trade buying, and speculation stimulated by impending currency stabilisation and the possibility of freer trade. A new contract for Egyptian cotton, known as Giza 7, was introduced in the Liverpool cotton market on October 1st, which will in due course supersede the unsatisfactory Sakellaridis Contract. Manchester reports that the improved tone is well maintained. The steadiness of raw cotton rates has increased the confidence of buyers, and fair enquiry and useful turnovers have been recorded in most sections. Yarn quotations are steady.

Wool

Bradford.—Prices of most qualities of tops tend to harden, and the output has been sold far ahead. Employment among spinners has improved, and yarn quotations have advanced.

Huddersfield.—Business continues at a very satisfactory level. The unemployment returns for the last quarter show a further reduction, and manufacturers feel confident that the activity is well founded and will continue.

Hawick.—A good many of the Border tweed factories are still on short time, but it is hoped that the industrial improvement at home may tend to increase demand on the part of merchants whose stocks are meantime very low. Continental buying is affected by the European situation, and business with the Empire is dull. Active conditions prevail in the hosiery trade, and some of the factories are working overtime.

Other Industries

Dundee.—Conditions have been active in the yarn section of the jute trade, largely owing to the dislocation of deliveries, caused by local labour disputes. Prices are very firm and a large amount of business has been done. In other sections trade is still a little disappointing.

Dunfermline.—There is a steady influx of orders in the Fifeshire linen trade, and although nothing very large is passing, manufacturers are all busy, and prices tend to harden. The raw material position is somewhat easier.

Clothing, Leather and Boots

Bristol.—The general position in the clothing trade is better than a year ago, in spite of a slight seasonal increase in unemployment. In the boot and shoe trade, the number of women workers on short time has decreased slightly.

Leeds.—Employment in the clothing industry remains good, and there is a shortage of labour in some departments.

Leicester.—Home trade in boots and shoes is better than usual for the time of year. Export trade, however, is still very restricted. In hosiery home trade is steady, but exports show no improvement.

Northampton.—The boot and shoe industry has been less busy lately, but it is expected to improve again shortly as a result of the recent Shoe and Leather Fair. Tanners and leather factors are finding sales difficult, as most manufacturers seem to be adopting the policy of using up their present stocks before making new purchases. Tanners are still producing heavily, and are holding stocks in the hope of obtaining better prices.

Walsall.—The tanning industry is now busy. Prices tend to harden, and a further rise is expected shortly. The fancy leather goods trade is enjoying seasonal activity, and prices of raw materials are inclined to harden.

Shipping

Bristol.—The arrivals of vessels and the volume of imports maintained an average level during October. Despatch of goods has been active, and stocks at the port are slightly lower.

Hull.—Tonnage is only in moderate demand. Rates rule firm for all directions.

Liverpool.—Outward coal freights have been steady, and homeward prices have ruled firm for all loadings. A better tone is in evidence, River Plate cargoes in particular being quoted above schedule.

Newcastle-on-Tyne.—The market is steady, particularly for the Baltic, and rates are moving in favour of owners. The Mediterranean is quiet, chiefly through lack of outward business.

Southampton.—The returns covering the first three quarters of the current year reveal a steady and continued expansion in all sections of the shipping trade. The volume of general cargo handled shows a substantial increase, with imports and exports 44,000 tons and 30,000 tons respectively above the aggregates for the corresponding period of 1935. Seasonal supplies of citrus fruit from South Africa have been very heavy this year.

Cardiff.—Outward freight rates remain steady at recent levels. Chartering is on a moderate scale in the absence of any strong demand for coal cargoes.

Newport.—A firmer tendency has been shown, but outward coal freights have been scarce owing to troubles in some foreign markets. There are now no ships laid up in the docks.

Swansea.—No business offers for the Mediterranean, but orders have increased for the Bay and French ports. Owners are offering tonnage very slowly. Rates are now very firm.

East of Scotland.—There were less than twenty vessels on loading turn at the Forth coaling ports at mid-October. The principal exports at Leith docks other than cargo coal all showed increases for September as compared with last year. Wood imports increased, but most other imports showed decreases, grain in particular being lower by 13,000 tons. The freight market has been firm, particularly for the larger vessels.

Glasgow.—Demand for tonnage to load coal for shipment abroad is still quiet. Tonnage is required principally for discharge at Baltic ports, for which rates are very firm in the absence of pressure on the part of owners to obtain employment for their boats. The Bay is very quiet, and the Mediterranean and coasting sections are practically bare of orders.

Foodstuffs

Liverpool, grain.—The statistical position in the wheat market becomes increasingly strong, and with a steady advance in prices throughout the month, Liverpool " futures " closed at 8s. 7d. per cental. Apprehension regarding the crops of the Southern Hemisphere continues, and the latest reports from Australia, where no general rainfall has occurred, and Argentina, where the revised acreage estimates are below expectations, have encouraged the prevailing " bullish " sentiment. An important potential influence on the market is the United States winter wheat crop ; seeding is progressing satisfactorily on what may possibly be a record acreage. The price of British wheat has risen to 37s. 6d. per quarter, the insistent demand being attributed to the shortage of soft Continental varieties, except Danubian, which continues to sell freely, despite the absence of pressure. Shipments of maize from Argentina have been on a heavy scale throughout the month.

Liverpool, provisions.—There has been a steady market in Continental bacon with supplies clearing satisfactorily, whilst the demand for lard was only moderate with prices steady. An improving demand for American hams at slightly better prices has been in evidence. Prices in the butter market are slightly lower on balance, but cheese has been steady to firm. Canned meats have been in good demand at firm prices, and the trade in canned fruits is maintained with prices a little higher.

Fishing

Brixham.—The exceptional prices of £4 10s. to £4 15s. per cran obtained for ray during September have not been maintained. Demand is easier and prices have fallen to £3 10s. per cran. Prime fish has also fallen in price owing to the slackening in demand.

Penzance.—Fishing has been confined mainly to the long liners. The best trips have landed from £75 to £35 per week. A small number of boats are fishing for pilchards, and good shots have been taken. Demand, however, is negligible.

Scotland.—The larger vessels are now all operating in English waters with good average results so far. The white-line fishing round the coast continues rather irregular, and prices have been steady to firm.

Other Industries

Carpet-making.—Kidderminster reports that employment among carpet weavers is good. Orders for spring delivery are quite up to last year's level, and overtime is being worked by some firms. Trade with the Empire continues to expand, but the devaluation of the guilder is likely to affect exports to Holland. Other European countries would import more if increased quotas could be obtained. Raw material prices continue to advance.

Paper-making and Printing.—Bristol reports that the position remains satisfactory.

The Edinburgh paper-making trade shows a slight improvement. Prices tend to harden for the cheaper grades of paper, but the movement may not last long unless demand improves further. The printing trade is exceptionally busy, even for the season, and as a result of the shortage of skilled labour a considerable amount of overtime is being worked. Book publishing for London houses is extremely active, and commercial printing, helped by the approaching Christmas trade, is also brisk.

Pottery.—Longton reports satisfactory business. Home trade is active with Christmas orders. The manufacture of Coronation ware is providing additional business, and it is hoped that retailers and public bodies will place their orders earlier than in the case of Jubilee ware, when a large number of last minute orders could not be executed. Trade has improved with South Africa, Australia and the United States.

Timber.—Hull reports that interest centres in goods for 1937. Shippers are content to wait for importers to come to them at the prices they are asking. No large sales are anticipated until after the issue of the Russian stock lists and prices, which are expected before the end of the year. This is the normal procedure. Inland demand continues above the average for the time of year, and good quantities are leaving the port.

Pitwood imports at Newport during September amounted to 3,090 fathoms, an increase on the previous month, but less than a year ago. Other timber imports consisted of 2,589 standards from the Union of Soviet Republics and 687 standards from Sweden, compared with 701 and 356 standards respectively in August.

Overseas Reports

Australia

From the National Bank of Australasia Limited

Trade generally continues buoyant though slackening is evident in some sections as the result of rainfall shortages and international difficulties. Building operations and motor vehicle sales have declined slightly. Wheat prospects are less favourable, but butter production is expanding slowly. A large wool clip is assured and the market has become more stable. The Stock Exchange is active. Imports and exports for August are above those of August last year. The trade balance for two months to August 31st shows an import surplus of £4 millions sterling. The Federal Budget provides substantial remissions in taxation, increased pensions, the restoration of public service salaries and a larger defence appropriation.

A later cable states that by the end of October recent rains had improved crop and pasture prospects, which are now fair to good over the greater part of the South-Eastern States and in Queensland except its south coastal districts. More rain would be useful. The outer pastoral areas of West Australia are definitely bad.

Canada

From the Imperial Bank of Canada

Losses due to the drought in large areas of Western Canada and some sections of the East have been largely offset by rising prices for agricultural products, and the agricultural income of the Prairie Provinces is expected to be the highest for some years. Conditions, however, are serious in districts which have suffered several successive crop losses, but Government assistance is being rendered. The wheat trade and milling industry are benefiting from the active export demand and car loadings have touched the highest point in five years, with grain movement as the chief factor. The carry-over has been reduced to almost normal proportions and has relieved the Government from loss under its price guarantee policy. Fruit and vegetable crops have done well in the East and in British Columbia. The lumber industry is improving, newsprint output is at a high level, mineral production continues active, and the steel, automobile, textile and other industries reflect the general increase of purchasing power. Employment continues

to show improvement. The official business index has risen to the highest point since its inception at the beginning of 1933 and is more than 20 per cent. above a year ago. For the first time in many months the banks report an increase in current loans.

India

Bombay.—Since September 14th the American cotton markets have shown a gradual decline. Demand has been good, but the crop movement has been heavy and daily hedge sales have depressed the market. Prospects for Indian mills are improving. Domestic demand for cotton is better, and new crop demand from Japan and Europe has appeared, but heavy stocks and the prospect of an early movement of a large Indian crop are making buyers cautious. There has been an improvement in the piece-goods trade with prices steady and the tone hopeful. There was not much trade in yarns, but prices have been fairly steady. A later cable states that local riots have checked the general improvement, but with conditions returning to normal the outlook remains hopeful.

Calcutta.—Apart from monetary speculative activity the markets were not affected by devaluation. It was officially stated that the guilder export price of sugar from the Netherlands Indies would be increased by an amount proportionate to the depreciation of the guilder. The raw jute market has been quiet, closing with a slightly firmer tone. There was a constant enquiry for baled jute, and at the end of September prices advanced owing to speculation and a moderate business was done. The hessians market has been dull but fairly steady. Owing to over-production prices are not expected to advance in spite of increased world demand. The shellac crop is understood to be fairly large, so there should be no shortage. There have been four more sales of tea by auction, but quality has shown little change. Prices have latterly declined. Prices for hides have been rising continually and now stand about 15 per cent. higher. There has been a strong English and American demand for skins, and stocks are limited.

Rangoon.—The rice market was very dull at the end of September, and although the tone subsequently steadied a minimum of business has been transacted. Indian demand has been poor, and Far East shippers have shown little interest. A later cable states that re-selling by bull holders for forward delivery has

caused a heavy decline in prices. Paddy supplies are on a small scale and the market dull. The European timber market is very quiet, with prices steady. There is no change in the Indian market. There is little to report in the hardware market, as heavy rains have kept the bazaars very quiet. Most replacing costs are firm, but until the monsoon is finished and up-country demand develops, no changes are expected.

Irish Free State

Weather conditions have been favourable to farm operations. The yield of most cereal crops was below average, but the quality was good. The Government's policy of encouraging wheat growing has met with remarkable success, as the acreage under wheat has grown in four years from 20,000 acres to over 255,000 acres, and before long enough will be produced to meet home requirements.

The upward trend in cattle prices was very noticeable at the annual Ballinasloe fair, which is the largest in the Free State. Both numbers and prices were higher than a year ago. Demand was favourably influenced by the British Government's subsidy on fat cattle.

France

Following the devaluation of the franc there was a marked advance in the prices of practically all classes of securities quoted on the Paris Bourse, while the market was further stimulated by easier money conditions and the repatriation of French capital. The following table shows the changes in French wholesale prices, according to the *Statistique Générale de la France,* between September 19th and October 17th, and so illustrates the immediate effects of devaluation.

	Sept. 19th	Oct. 17th	Intervening Change. %
General Index	402	444	+ 10·4
Home Products ...	450	483	+ 7·3
Imported Products...	314	375	+ 19·4
Food	438	470	+ 7·3
Vegetable Products...	465	509	+ 9·5
Animal Products ...	419	435	+ 3·8
Sugar, Coffee, etc. ...	420	458	+ 9·0
Materials	370	422	+ 14·1
Minerals	382	446	+ 16·8
Textiles	281	351	+ 24·9
Miscellaneous ...	416	451	+ 8·4

Largely as a result of devaluation, the Banque de France's gold stocks have risen from a low point of Frs.50,111 millions on September 26th to Frs.62,359 millions on October 19th. The Bank rate was raised from 3 to 5 per cent. during the devaluation interregnum, but has since been reduced to 2 per cent.

The adverse visible trade balance for the first nine months of the year was Frs.6,793 millions compared with Frs.4,087 millions last year. This is due largely to a further considerable increase in imports of foodstuffs and raw materials.

The trade returns are summarised below :—

	First 9 months 1935	First 9 months 1936	Difference
Imports—	Frs. mill.	Frs. mill.	Frs. mill.
Foodstuffs	4,558	5,305	+ 747
Raw Materials	8,315	9,446	+ 1,131
Manufactured Articles ...	2,641	2,679	+ 38
Total	15,514	17,430	+ 1,916
Exports—			
Foodstuffs	1,779	1,619	− 160
Raw Materials	3,136	3,004	− 132
Manufactured Articles ...	6,512	6,014	− 498
Total	11,427	10,637	− 790

Unemployment figures for October 10th show that there are 411,536 unemployed on the register, as compared with 372,329 at the same time last year.

Le Havre.—The cotton "futures" market closed on September 25th with the quotation of Frs.278 per 50 kilos, October delivery, and opened on October 2nd with a price of Frs.338, the increase being due to the devaluation of the franc. Immediately before and after devaluation turnover was many times more than average. The third American Bureau forecast of 11,690,000 bales is 488,000 bales more than the previous estimate, and the yield is shown as 187 lbs. against 179 lbs. Although demand from the mills has improved, stocks at Havre are now 146,000 bales against 112,000 bales a month ago, and heavy shipments of the new American crop are on their way.

Since October 2nd coffee prices have risen by about Frs.12–Frs.20, but the price situation is still unsettled. Heavy purchases of Brazil coffee were made before devaluation. Customs duties have been reduced from Frs.360 to Frs.250 per

100 kilos. More active demand from the interior has reduced stocks from 1,008,000 bags to 961,000 bags.

Lille.—A conciliatory spirit has improved the labour situation in the textile trades, and with unemployment figures falling the outlook seems promising. Increased costs of production are causing price-fixing difficulties, and forward contracts are made with full reservations as to price advances. Business in yarns has steadily improved, and some spinners, though well stocked with raw cotton, have been unable to keep up with demand. The flax market is more optimistic and large stocks of raw materials have been bought. There has been a good demand for both oil and oil-cake, as farmers have been replenishing their stocks on a large scale in anticipation of a price rise. Demand for fertilisers has outrun production.

Roubaix.—Following devaluation prices for tops rose rapidly, but they are still below world values. Consequently large weights of tops have been taken off the market, and stocks have been reduced. Owing to lack of raw material some combers are working short time while waiting for the new clip wool to arrive. Spinners and manufacturers are well booked for immediate delivery, but uncertainty as to prices is obstructing forward business. There is a shortage of finished goods in France and it is certain that big weights of raw material will soon be needed. Labour unrest still continues, but unemployment has improved.

Belgium

Antwerp.—Although the volume of business is smaller, markets, on the whole, show a favourable tendency. Cereals, particularly feeding grains, are firm, and the wool and rubber markets are both satisfactory. Coffee is irregular, and there are few dealings in copal, and ground-nuts and palm-oil are weak. The timber trade is very active with rising prices. There has been an improvement on the Stock Exchange and Government Bonds are firm.

Brussels.—The iron and steel trades are satisfactory, although export business has not yet adapted itself either to the high prices now ruling, or to the long delays in delivery. A renewed demand for semi-finished products is noted from the East.

There is an appreciable demand for house coal and some collieries are only accepting orders for January-February delivery. The demand for industrial qualities is greater than ever, and the French demand is persistent at increased prices.

Germany

Up to the devaluation of the gold *bloc* currencies there was no change in the German economic situation. Unemployment fell during September from 1,098,000 to 1,035,000, and this decline was contrary to the normal seasonal trend. There was a further general expansion in industrial production, which has now surpassed the 1929 pre-crisis peak. The lag between the production of consumption goods and capital goods has again diminished. Further limitation of imports reduced total imports between August and September from Rm.346 to Rm.336, while exports rose from Rm.409 to Rm.412 millions. The increase in exports was rather less than in previous years, but nevertheless there was a favourable balance of Rm.75 millions.

Dr. Schacht has announced the grounds for Germany's decision to maintain the existing value of the Reichsmark, and has also stated the conditions on which Germany would consider re-alignment. German business circles are doubtful if these conditions will be acceptable abroad. The following table, showing the extent of Germany's trade with the " devalued " countries, is of some interest in this connection.

FOREIGN TRADE IN THE FIRST HALF OF 1936.

	Imports from	Exports to	Balance
	Rm. millions		
Total Trade ...	2,111·0	2,242·7	+131·7
France	43·2	125·4	+ 82·2
Netherlands... ...	87·3	195·6	+108·3
Switzerland ...	55·4	114·8	+ 59·4
Czechoslovakia ...	58·2	66·2	+ 8·0
Italy	102·9	125·1	+ 22·2
Total ...	347·0	627·1	+280·1
Percentage of Total Foreign Trade ...	16·4%	28·0%	

So far Germany has had a substantial export surplus in her trade with these five devalued countries, and if she is to retain this surplus in the face of devaluation, an increase in her export subsidies will be essential. This new burden will have to be borne by the home trade of German industries, and so fresh efforts by the Government will be needed to prevent a

rise in the internal cost of living. The same anxiety regarding the cost of living is noticeable in the devalued countries. So far the rise in German wholesale prices has been very moderate, amounting to less than 2 per cent. during the past year.

Holland

During the night of September 26th the Dutch Government decided to put a ban on the export of gold, and the gold standard was suspended. An Exchange Equalisation Fund of Fl.300 millions was created by the issue of Treasury Bills for the purpose of allowing the guilder to find its own level and at the same time preventing any violent fluctuations. It is not known whether it is in operation yet, but to judge from the latest returns of the Netherlands Bank it may have lent Fl.100 millions of gold to the new Exchange Fund against Treasury bills as collateral. There is, of course, no definite proof of this.

The probable consequences of the monetary changes are still obscure. Dutch East Indian undertakings should benefit considerably as costs of production there had previously been drastically reduced, and as the production of many products, such as sugar, rubber, tea and tin, is regulated internationally, exports, though of the same size, will now fetch higher prices in guilders. On the other hand, costs of production must now inevitably rise, but not necessarily out of proportion.

In Holland the situation is complicated by the system of subsidies, especially for agriculture. As the returns increase the subsidies will be reduced and so the cost of living need not rise considerably. Also steps have already been taken to increase import quotas, which will prevent home prices from being forced up inordinately. Assuming a devaluation of 25 per cent., the possible increase in the cost of living is estimated at from 7 to 9 per cent. No rise is yet noticeable.

On the Stock Exchange security prices have risen by anything from 8·1 to 95·8 per cent. of the value, the rise being smallest for companies receiving royalties in guilders and highest for rubber shares. Gilt-edged securities have also risen, and the possibility of a Government conversion has increased. There is a strong demand for mortgage bonds, which were unplaceable a short time ago. It is improbable that much money has returned from abroad, in view of the interest displayed in American securities.

Norway

The trade returns for September and for the first nine months are summarised below :—

	Sept. 1935	Aug. 1936	Sept. 1936	9 months 1935	9 months 1936
	Kr. mill.	Kr. mill.	Kr. mill.	Kr. mill.	Kr. mill.
Imports	68·7	74·4	78·8	578·7	648·5
Exports	53·3	51·8	61·8	425·2	476·6
Import Surplus ...	15·4	22·6	17·0	153·5	171·9

There was a reduction of some 80,000 tons d.w. in Norwegian idle tonnage during September. On October 1st there were 29 vessels of 180,175 tons d.w. lying idle, which amounted to 3·3 per cent. of Norway's foreign-going merchant fleet, compared with 4·8 per cent. a month earlier.

The following table gives the August index number of industrial production (first half of 1933 = 100).

Year	Home Industries		Export Industries		All Industries	
	July	Aug.	July	Aug.	July	Aug.
1934 ...	98	111	98	96	98	106
1935 ...	96	112	83	95	91	106
1936 ...	108	133	107	104	107	122

The general cost-of-living index for September 15th shows a rise of one point to 155 (July, 1914 = 100). The wholesale price-index at October 15th was unchanged at 136 (1913 = 100).

The number of unemployed increased during September from 23,447 to 28,122, but are 4,426 less than in September, 1935.

According to preliminary reports crop yields are about 93 per cent. of the average, but the quality is satisfactory.

The general elections took place on October 19th. There is very little change. The following table summarises the results :—

	Number of Seats	Gains or Losses
Labour Party ...	71	+ 2
Conservatives ...	36	+ 6
Liberal Left ...	23	− 1
Agrarians ...	18	− 5
Others	3	+ 1

Thus the Labour party has not secured the absolute majority which it expected.

Sweden

Sales of Swedish timber have proceeded satisfactorily, though there has been some difficulty in deliveries this year. Already 75,000 standards have been disposed of, for delivery next year. Prices have fluctuated but the undertone is firm. The quantity shipped up to the middle of October is estimated at about 800,000 standards, against 725,000 standards for the same period last year. Danish, German and Belgian markets have been livelier, and the English market more tentative. The forthcoming auction-sales of State-forest timber are expected to be marked by a decided increase in timber prices.

Dealings in chemical pulp are limited, as only small stocks of sulphite remain unsold. Business in sulphite and sulphate is increasingly concerned with shipments in 1937, and there have been contracts for kraft pulp for delivery in 1938. Prices have improved, but only in proportion to the rise in raw material prices and certain costs of production. The demand for wet mechanical pulp is good, but prices are still unsatisfactory. The advance in pulp prices has affected the costs of the paper mills, and the prices of some classes of paper have already been raised. Nevertheless all markets have been fairly lively, the kraft paper mills particularly having an increased supply of orders.

On the Swedish iron market the turnover continues to be lively and prices are firm. The prices of rolled products have been repeatedly increased, and pig-iron prices are now 20 per cent. higher than a year ago. Pig-iron is being imported on an unusually large scale. Iron-ore exports during September reached a total of 1,028,000 tons, making the quantity shipped since the beginning of the year 8,238,000 tons, against 5,621,000 tons for the same period last year, or an increase of 46½ per cent.

Denmark

The State accounts for the financial year 1935–36 closed with a surplus of Kr.13·5 millions against an estimated surplus of Kr.0·8 million. Revenue totalled Kr.418·9 millions and expenditure Kr.405·4 millions. Taxes and duties have yielded Kr.9·8 millions more, while expenditure has been Kr.4·5 millions less than estimated. The current financial year is expected to close with a surplus of about Kr.14 millions, and in the budget for 1937–38 revenue of Kr.448·9 millions and

expenditure of Kr.443·8 millions are estimated. The final deficit on the State railways was Kr.17·1 millions against an estimate of Kr.16·6 millions. Interest received by the State on investments was Kr.59·2 millions, and interest payments totalled Kr.73·2 millions, of which Kr.45·8 millions were payments on foreign loans. Owing to increased tax-yield the City of Copenhagen has been able to close the financial year 1935–36 with a surplus of Kr.1·8 millions, against an estimated deficit of about Kr.3 millions.

The returns for the first three quarters show that exports of butter have increased by about 5 per cent., those of eggs by about 15 per cent., while 120,000 head of live hogs have been exported, against only 11,000 head last year; and of cattle (live and dead) 144,000 pieces have been exported against 95,000 last year. Bacon exports alone have decreased by 11 per cent., owing to the continued cutting-down of the British import quota. Prices show little change over the past month and remain satisfactory. The reduction of a number of Swiss import duties following the devaluation of the franc has made it possible to increase exports of eggs and live cattle to Switzerland.

The low Danish exchange and improved tourist propaganda have increased the number of foreign visitors by about 15 per cent. compared with last year.

The freight rate index rose in September from 127·1 to 131·2. The seasonal rise in unemployment is now noticeable, and the total unemployed has risen between September 15th and October 19th from 53,998 to 58,243, or 13·9 per cent. of all workers. At the same time last year the figure was 63,666 or 16·1 per cent.

Devaluation of the Dutch guilder and the Swiss franc will mean an interest saving of between Kr.2 and Kr.3 millions on various Danish loans. The five State loans of 1894, 1897, 1900, 1901 and 1909, providing for interest payment in gold crowns, are not directly affected, but the general abandonment of the gold standard raises the delicate question as to whether these payments in gold crowns are to be continued.

Switzerland

From Lloyds & National Provincial Bank Limited

The devaluation of the Swiss franc by about 30 per cent. had an immediate effect on Government Bonds, which rose

by several points, while the best industrial shares rose by about 25 to 30 per cent. Swiss Government credit is now on a basis of about 3½ per cent. Unless Customs duties are drastically reduced, it is probable that devaluation will cause prices to rise as so much is bought outside the country. For the present decrees have been passed forbidding any increase in the prices of goods or in rents, etc. There is now a free gold market in the country with no restrictions on dealings or on the export of capital.

The result of the subscriptions to the new Defence Loan of Frs.235 millions, at 3 per cent. at par, has been most successful. In response to the first part of the issue of Frs.80 millions, Frs.330 millions was subscribed within three weeks by some 190,000 subscribers.

Morocco

From the Bank of British West Africa Limited

Business conditions in the French Zone of Morocco have been affected by the uncertainty of the financial outlook in France, and the ultimate devaluation of the French franc has automatically involved the Moroccan franc, which is maintained at equal value. Prices have naturally risen, but the French Protectorate Authorities have instituted measures of control. Generally speaking, the local markets are not expected to suffer unduly through the franc devaluation as the increased cost of imported goods is expected to be counter-balanced, at least in part, by the rise in prices of Moroccan products. Protectorate finances will benefit from devaluation. The French Protectorate Authorities have prohibited trade between the French and Spanish Zones, and a total exchange of goods estimated in 1935 at 18,000 tons valued at Frs.54·4 millions, mostly in favour of the French Zone, is affected.

Trade with Spain has virtually ceased. The first rains of the season are reported to be satisfactory and fairly general. Owing to lack of demand, textiles have so far only advanced some 15 per cent. in price, despite the devaluation of the franc, but prices are expected to rise further. Heavy arrivals of green tea from China are reported, the franc devaluation resulting so far in a rise of prices by 25–30 per cent. Exports are fairly active, with a general rise in prices. Canary seed is being shipped to England, and there has also been heavy buying on

French account of linseed, barley and maize. The 10 per cent. *ad valorem* export tax on barley and maize has been reduced to Frs.5·50 per quintal. Railway receipts in French Morocco during 1935 totalled Frs.60·4 millions or 16 per cent. less than in 1934, and expenses Frs.59 millions or 3 per cent. less than in 1934, while the profit for 1935 is returned at Frs.3·4 millions.

The United States

During October interest was concentrated on the Presidential election, with the odds in favour of Mr. Roosevelt's re-election. Business continues stable, with increased activity in the motor-car and allied industries. The steel, lumber, and cotton textile industries all show advances, and as organised labour seems to be adjusting its internal quarrels, the prospects for industrial peace are good. Commercial failures continue to diminish.

Some uneasiness arose over Mr. Roosevelt's announced intention of seeking (if re-elected) a continuance of the power to alter the gold content of the dollar, which lapses on January 30th next. During September " Brokers' loans " fell by some \$2¼ millions to \$971 millions, but this last total is still \$190 millions over the figure for the end of September, 1935. The average price of all bonds listed on the New York Stock Exchange was 95·79 per cent. on October 1st against 95·39 per cent. on September 1st; similar figures for shares were \$40·88 and \$40·56 respectively. Money remains plentiful but there are some indications of an increase in commercial borrowing.

On October 1st there were 155 furnaces engaged in producing pig-iron, or seven more than on September 1st. Last month's output totalled 2,730,293 tons, or a daily average of 91,010 tons against 87,425 tons in August. Production of steel ingots for nine months totalled 33,605,000 tons against 24,051,000 tons for the same period last year. A tight situation is developing in the iron and steel industries, as although makers are only working at 75 per cent. of capacity a further expansion would require the refurbishing of equipment that has lain idle in recent years.

Raw cotton prices have shown a declining tendency, as crop news has not turned out so " bullish " as expected. The Government report of October 8th gives the harvest at

11,609,000 bales, or nearly half a million more than had been estimated a month earlier. The eastern and central areas of the cotton belt have had very favourable weather in September, and conditions have been suitable for maturing a retarded harvest. The crop estimate for Texas, however, showed a reduction from September 1st. Cotton textiles are very active. Sales of finished goods are probably greater than present production and many mills are sold ahead for some months.

South America

From the Bank of London & South America Limited

Argentina.—Beneficial rains during early October have favoured crops, and good general rains fell later in the month. Maize seeding has been active, and in some quarters it is believed that the area sown to maize will exceed all previous records. Grain shipments have been very heavy, and this year's enormous maize shipments will go far towards improving Argentine's balance of payments. There are hopes that the entire maize surplus will be exported before the new crop comes on the market in April next. Prospects for the coming crops are encouraging. The cattle market remains quiet. September business in imported textiles was very satisfactory, but the devaluation of the gold *bloc* currencies is expected to lead to fresh competition in certain lines by French, Dutch and Swiss manufacturers against British shippers of textile goods. A rise in the price of wool is expected. Japanese competition is less formidable than last year. The peso has recently strengthened as a result of the improvement in the export trade.

Brazil.—Owing to the devaluation of the franc, the Bank of Brazil has decided to adopt the American dollar as the basis for milreis quotations. The rate consequently has strengthened against sterling from Rs.85$000 to Rs.83$400. The commercial situation appears to be normal, but the rise in the milreis may stimulate imports in some directions. Raw cotton exports are considerably greater than those of last year. During October more enquiries for coffee were received, and the reduction in the French and Dutch import duties is expected to stimulate sales. Coffee still predominates in Brazil's export trade, but is now of relatively less importance than in previous years.

Chile.—Foreign exchange dealings are still subject to strict control. The central bank has now adopted the basic exchange rate of 19·37 pesos per American dollar. Commodity prices are rising. There has been an active domestic trade in wheat and barley and small parcels of oats have been exported. Weather conditions are favourable for farmers. The wool market is quiet, but there is a good demand for hides.

Uruguay.—The weather has been favourable, and reports on livestock are encouraging. Trade has been brisk in the Montevideo cattle market, but demand is confined to high-quality animals. The new wool clip is thought to be well up to standard.

Japan

A cabled report at the end of October states that the new taxation programme has come as a severe shock to the business community. This new taxation takes the form of a heavier imposition on corporation incomes and a new sales tax. Business, however, remains very active. Raw material imports continue to be very heavy. Rayon production for the month of September reached a record high level. Other indications of business activity are a sharp rise in bank clearings and an expansion in railway traffics. The stock market has been somewhat dull but the undertone has been steady. Wholesale prices are rising, cereals alone showing a decrease. A bumper rice crop is forecasted.

Statistics

BANK OF ENGLAND

Issue Department

	Note Circulation.	Govt. Debt.	Other Govt. Securities.	Other Securities.	Silver Coin.	Fiduciary Issue.	Gold.
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
End March, 1931	357·1	11·0	232·0	12·9	4·0	260·0	144·5
" " 1932	360·5	11·0	240·9	19·3	3·8	275·0	120·8
" " 1933	367·1	11·0	249·9	10·5	3·6	275·0	171·8
" " 1934	378·8	11·0	245·4	0·1	3·5	260·0	191·1
" " 1935	381·4	11·0	246·7	0·2	2·1	260·0	192·5
" " 1936	406·5	11·0	246·5	1·5	1·0	260·0	200·6
Oct. 22, 1936	440·1	11·0	246·2	2·6	0·1	260·0	248·7
Oct. 29, 1936	442·7	11·0	245·9	3·0	—	260·0	248·7

Banking Department

	Public Deposits.	Bankers' Deposits.	Other Deposits.	Govt. Securities.	Discounts and Advances.	Other Securities.	Reserve.	Proportion.
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	%
End March, 1931	17·2	58·8	34·7	30·3	24·6	25·7	48·3	43·6
" " 1932	27·2	54·6	34·4	35·7	11·7	51·1	35·9	30·9
" " 1933	21·2	92·8	35·0	57·7	11·8	17·2	80·6	54·0
" " 1934	17·5	94·5	36·9	77·1	5·6	11·0	73·4	49·2
" " 1935	20·1	96·6	41·2	87·6	5·6	11·4	71·7	45·3
" " 1936	18·0	83·6	37·0	80·3	5·0	16·7	54·9	39·6
Oct. 22, 1936	37·6	81·4	41·1	79·9	6·7	21·6	69·6	43·4
Oct. 29, 1936	27·6	86·5	41·4	80·2	6·6	19·5	66·9	43·0

LONDON CLEARING BANKS (Monthly averages)

	Deposits.	Acceptances, Guarantees, etc.	Cash	Balances and Cheques.	Call Money.	Bills.	Investments.	Advances.
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
March, 1931	1,763·9	121·5	184·0	43·5	114·1	240·4	311·1	936·1
" 1932	1,676·4	98·7	174·0	43·4	112·5	216·8	281·9	902·1
" 1933	1,925·2	95·8	207·0	40·1	108·7	348·1	510·2	766·2
" 1934	1,830·6	112·8	218·9	43·5	120·4	202·1	547·1	753·0
" 1935	1,923·3	117·7	214·0	43·6	133·4	207·0	614·4	766·8
" 1936*	2,108·3	105·2	216·7	53·8	162·4	252·0	635·1	849·2
Aug., 1936*	2,245·9	103·6	233·3	52·0	163·0	345·2	641·0	872·1
Sept., 1936*	2,256·6	102·0	229·4	52·9	166·4	343·6	648·1	877·3

* Includes the District Bank.

LONDON BANKERS' CLEARING HOUSE RETURNS

	Town Clearing	Metropolitan Clearing	Country Clearing	Total
	£ mn.	£ mn.	£ mn.	£ mn.
1930	38,782	1,812	2,964	43,558
1931	31,816	1,668	2,752	36,236
1932	27,834	1,610	2,668	32,112
1933	27,715	1,657	2,766	32,138
1934	30,740	1,760	2,984	35,484
1935	32,444	1,887	3,229	37,560
1935 to Oct. 30	26,799	1,560	2,667	31,026
1936 to Oct. 28	28,281	1,668	2,893	32,842
1935, Oct. (4 weeks) ...	2,415	150	267	2,832
1936, Oct. (4 weeks) ...	3,055	169	294	3,518

BANKERS' PROVINCIAL CLEARING RETURNS

	Mar., 1929	Mar., 1932	Mar., 1933	Mar., 1934	Mar., 1935	Mar., 1936	Aug., 1936	Sept., 1936
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
Birmingham	11·9	9·0	9·7	11·3	9·6	10·7	9·6	10·4
Bradford	5·9	3·4	3·3	4·2	3·8	4·7	3·7	3·9
Bristol	5·3	4·9	5·0	5·4	4·9	5·5	4·9	5·5
Hull	4·0	3·0	3·2	3·2	3·2	3·4	3·3	3·5
Leeds...	4·4	3·8	3·8	4·4	4·3	3·9	3·5	3·7
Leicester	3·6	3·1	3·1	3·3	2·8	3·1	2·6	3·0
Liverpool	34·2	25·6	25·6	26·8	25·8	27·5	24·4	25·8
Manchester	58·0	42·5	42·1	46·1	42·8	44·9	41·3	42·5
Newcastle-on-Tyne...	6·5	5·7	6·5	6·9	5·5	5·7	5·5	5·4
Nottingham	2·8	1·9	1·9	2·0	2·0	2·1	2·0	1·9
Sheffield	4·6	3·3	3·5	3·6	3·4	4·3	4·3	4·0
	141·2	106·2	107·7	117·2	108·1	115·8	105·1	109·6

LONDON AND NEW YORK MONEY RATES

	London.					New York.		
	Bank Rate.	Treasury Bills. Tender Rate.	Treasury Bills. Market Rate.	3 Months' Bank Bills.	Short Loans.	F.R.B. Re-discount Rate.	Call Money.	Accept-ances.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
End March, 1931	3	$2\frac{17}{32}$	$2\frac{9}{16}$–$2\frac{5}{8}$	$2\frac{9}{16}$–$2\frac{5}{8}$	2–$2\frac{1}{2}$	2	$1\frac{1}{2}$	$1\frac{1}{2}$
" " 1932	$3\frac{1}{2}$	$2\frac{5}{32}$	$1\frac{7}{8}$	$2\frac{1}{8}$–$2\frac{1}{4}$	2–3	3	$2\frac{1}{2}$	$2\frac{1}{2}$
" " 1933	2	$\frac{19}{32}$	$\frac{9}{16}$–$\frac{5}{8}$	$\frac{5}{8}$	$\frac{1}{2}$–1	$3\frac{1}{2}$	3	$2\frac{1}{2}$
" " 1934	2	$\frac{29}{32}$	$\frac{7}{8}$	$\frac{15}{16}$	$\frac{3}{4}$–1	$1\frac{1}{2}$	1	$\frac{3}{8}$
" " 1935	2	$\frac{1}{2}$	$\frac{1}{2}$–$\frac{17}{32}$	$\frac{9}{16}$–$\frac{5}{8}$	$\frac{1}{2}$–1	$1\frac{1}{2}$	1	$\frac{3}{16}$
" " 1936	2	$\frac{17}{32}$	$\frac{1}{2}$	$\frac{17}{32}$–$\frac{9}{16}$	$\frac{1}{2}$–1	$1\frac{1}{2}$	$\frac{3}{4}$	$\frac{3}{16}$
Sept. 30th, 1936	2	$\frac{17}{32}$	$\frac{1}{2}$	$\frac{9}{16}$	$\frac{1}{2}$–1	$1\frac{1}{2}$	1	$\frac{3}{16}$
Oct. 28th, 1936	2	$\frac{17}{32}$	$\frac{1}{2}$–$\frac{17}{32}$	$\frac{9}{16}$–$\frac{5}{8}$	$\frac{1}{2}$–1	$1\frac{1}{2}$	1	$\frac{3}{16}$

FOREIGN EXCHANGES

London on	1934	1935	1936				
	Oct. 31	Oct. 30	Sept. 30	Oct. 7	Oct. 14	Oct. 21	Oct. 28
New York—							
(a) Spot ...	4·97$\frac{5}{8}$	4·91$\frac{7}{8}$	4·94$\frac{3}{4}$	4·89$\frac{5}{8}$	4·89$\frac{1}{4}$	4·89$\frac{1}{4}$	4·89$\frac{1}{2}$
(b) 3 months	$\frac{11}{16}$c. dis.	1$\frac{3}{16}$c. p.m.	1$\frac{1}{8}$c. dis.	1$\frac{1}{16}$c. p.m.	$\frac{11}{16}$c. p.m.	$\frac{13}{16}$c. p.m.	$\frac{11}{16}$c. p.m.
Montreal ...	4·86$\frac{1}{8}$	4·97$\frac{5}{8}$	4·94$\frac{3}{4}$	4·89$\frac{1}{4}$	4·89$\frac{3}{8}$	4·88$\frac{7}{8}$	4·88$\frac{7}{8}$
Paris—							
(a) Spot ...	75$\frac{11}{16}$	74$\frac{13}{16}$	n. q.	104$\frac{11}{16}$	105$\frac{1}{16}$	105$\frac{5}{32}$	105$\frac{1}{8}$
(b) 3 months	par.	Fr.1$\frac{1}{16}$ dis.	n. q.	Fr.$\frac{1}{4}$ dis.	Fr.$\frac{3}{8}$ dis.	Fr.1$\frac{7}{16}$ dis.	Fr.1$\frac{1}{8}$ dis.
Berlin—							
(a) Official ...	12·36	12·22$\frac{1}{8}$	12·57$\frac{1}{8}$	12·17$\frac{1}{4}$	12·16$\frac{1}{8}$	12·17	12·16$\frac{1}{2}$
(b) Registered Marks	47$\frac{1}{4}$% dis.	52$\frac{1}{2}$% dis.	49% dis.	48% dis.	49$\frac{3}{4}$% dis.	49$\frac{1}{2}$% dis.	48$\frac{1}{4}$% dis.
Amsterdam ...	7·35$\frac{1}{8}$	7·24$\frac{1}{8}$	8·98	9·18$\frac{1}{4}$	9·15$\frac{1}{2}$	9·07	9·05
Brussels ...	21·34	29·22	29·30	29·08	29·07$\frac{1}{2}$	29·06	29·04$\frac{1}{4}$
Milan	58$\frac{3}{32}$	60$\frac{7}{16}$	n. q.	92$\frac{7}{8}$	93$\frac{1}{16}$	92$\frac{13}{16}$	92$\frac{7}{8}$
Zurich ...	15·28	15·13	21·51$\frac{1}{2}$	21·27$\frac{1}{2}$	21·29$\frac{1}{4}$	21·28$\frac{1}{4}$	21·28$\frac{3}{4}$
Stockholm ...	19·39$\frac{1}{8}$	19·39$\frac{1}{4}$	19·39$\frac{1}{2}$	19·39$\frac{3}{8}$	19·39$\frac{3}{8}$	19·39$\frac{1}{2}$	19·39$\frac{1}{2}$
Madrid ...	36$\frac{7}{16}$	36	n. q.	n. q.	n. q.	n. q.	n. q.
Vienna... ...	26$\frac{1}{8}$*	26$\frac{1}{4}$	26$\frac{3}{4}$	26$\frac{1}{2}$	26$\frac{1}{8}$	26$\frac{1}{8}$	26$\frac{1}{2}$
Prague... ...	119	118$\frac{7}{8}$	122	128$\frac{1}{8}$	138$\frac{1}{4}$	138$\frac{1}{4}$	138$\frac{1}{4}$
Buenos Aires—							
(a) Export ...	15	15	15	15	15	15	15
(b) Import ...	17·06	17·02	17	17	17	17	17
(c) Free ...	19·26	18·06	17·60	17·58	17·58	17·58	17·58
Rio de Janeiro—							
(a) Official ...	4$\frac{1}{16}$d.	4$\frac{1}{8}$d.	4$\frac{1}{8}$d.	4$\frac{7}{32}$d.	4$\frac{1}{4}$d.	4$\frac{1}{4}$d.	4$\frac{1}{4}$d.
(b) Free ...	3$\frac{17}{32}$d.	2$\frac{23}{32}$d.	2$\frac{7}{8}$d.	2$\frac{7}{8}$d.	2$\frac{7}{8}$d.	2$\frac{7}{8}$d.	2$\frac{7}{8}$d.
Valparaiso ...	48·60†	123*	131$\frac{1}{8}$*	131$\frac{1}{8}$*	131$\frac{1}{8}$*	131$\frac{1}{8}$*	131$\frac{1}{8}$*
Bombay ...	18$\frac{1}{16}$d.	18$\frac{1}{8}$d.	18$\frac{1}{8}$d.	18$\frac{1}{8}$d.	18$\frac{1}{8}$d.	18$\frac{1}{8}$d.	18$\frac{1}{8}$d.
Hong Kong ...	19$\frac{3}{8}$d.	22$\frac{3}{4}$d.	14$\frac{7}{8}$d.	14$\frac{7}{8}$d.	14$\frac{7}{8}$d.	14$\frac{7}{8}$d.	14$\frac{7}{8}$d.
Kobe	1/2	1/2$\frac{1}{32}$	1/2	1/2	1/2$\frac{1}{32}$	1/2$\frac{1}{32}$	1/2$\frac{1}{32}$
Shanghai ...	15$\frac{13}{16}$d.	15$\frac{1}{8}$d.	14$\frac{3}{8}$d.	14$\frac{3}{8}$d.	14$\frac{7}{16}$d.	14$\frac{7}{16}$d.	14$\frac{7}{16}$d.
Gold price ...	139s. 7d.	141s. 4d.	140s. 2d.	142s. 0d.	142s. 0d.	142s. 1$\frac{1}{2}$d.	142s. 2d.
Silver price ...	23$\frac{3}{8}$d.	29$\frac{5}{16}$d.	19$\frac{7}{8}$d.	20$\frac{1}{8}$d.	20d.	19$\frac{15}{16}$d.	20$\frac{1}{8}$d.

* Nominal. † Official rate. n. q.—No quotation.

PUBLIC REVENUE AND EXPENDITURE

	1932–33.	1933–34.	1934–35.	1935–36.	1935–36 to Oct. 26.	1936–37 to Oct. 24.
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
REVENUE—						
Income Tax	251·5	228·9	228·9	238·1	62·3	57·8
Sur-Tax	60·7	52·6	51·2	51·0	6·6	6·4
Estate Duties...	77·1	85·3	81·3	87·9	51·4	48·0
Stamps	19·2	22·7	24·1	25·8	10·8	12·0
Customs	167·2	179·2	185·1	196·6	114·0	119·9
Excise	120·9	107·0	104·6	106·7	62·0	62·0
Motor Vehicles Duties (Exchequer Share) ...	5·0	5·2	5·1	5·0	1·3	1·3
Other Tax Revenue	3·1	2·6	3·1	2·1	0·1	0·1
Total Tax Revenue	704·7	683·5	683·4	713·2	308·5	307·5
Post Office	10·9	13·1	12·2	11·7	8·6	8·4
Crown Lands...	1·2	1·2	1·3	1·4	0·9	0·9
Receipts from Sundry Loans	5·1	4·7	4·4	4·9	3·1	3·1
Miscellaneous Receipts ...	22·9	22·1	15·1	21·7	15·2	13·8
Total Non-Tax Revenue ...	40·1	41·1	33·0	39·7	27·8	26·2
Total Ordinary Revenue ...	744·8	724·6	716·4	752·9	336·3	333·7
Post Office	59·3	59·3	61·8	66·1	34·7	36·6
Road Fund	22·9	25·5	26·4	25·8	7·3	7·8
Total Self-balancing Revenue ...	82·2	84·8	88·2	91·9	42·0	44·4
EXPENDITURE—						
National Debt Interest ...	262·3	212·9	211·6	211·5	127·8	127·7
Payments to N. Ireland ...	7·0	6·6	6·8	7·2	3·0	3·6
Other Cons. Fund Services ...	3·3	4·1	3·6	5·7	1·7	1·3
Post Office Fund	—	—	2·3	1·1	—	—
Supply Services	458·3	458·8	472·2	512·0	269·2	288·8
Total Ordinary Expenditure ...	730·9	682·4	696·5	737·5	401·7	421·4
Sinking Fund	17·2	7·7	12·3	12·5	—	—
Payments to U.S. Govt. ...	29·0	3·3	—	—	—	—
Self-balancing Expenditure (As per contra)	82·2	84·8	88·2	91·9	42·0	44·4

PRODUCTION

	Coal	Pig-Iron	Steel
	Tons mill.	Tons thous.	Tons thous.
Total 1913	287·4	10,260	7,664
„ 1925	243·2	6,262	7,385
„ 1929	257·9	7,589	9,636
„ 1930	243·9	6,192	7,326
„ 1931	219·5	3,773	5,203
„ 1932	208·7	3,574	5,261
„ 1933	207·1	4,136	7,024
„ 1934	221·0	5,969	8,850
„ 1935	222·9	6,426	9,842
Total to September, 1935 ...	163·2	4,793	7,220
Total to September, 1936 ...	168·7	5,701	8,624

BOARD OF TRADE PRODUCTION INDEX NUMBER (1930 = 100)

	Complete Year		1935			1936	
	1934.	1935.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Mines and Quarries	90·8	91·7	87·3	85·8	98·1	100·5	88·4
Iron and Steel...	115·7	125·6	123·2	124·1	133·3	146·2	149·5
Non-Ferrous Metals	122·7	137·3	138·4	136·6	132·1	134·8	140·9
Engineering and Shipbuilding	94·0	104·8	103·5	102·2	108·0	115·5	120·3
Building Materials and Building	133·4	147·0	148·5	153·5	150·2	148·8	157·2
Textiles	113·3	118·9	116·7	113·3	126·5	126·9	124·8
Chemicals, Oils, etc.	104·6	110·6	107·5	107·7	119·0	115·5	112·5
Leather and Boots and Shoes	104·5	116·0	115·2	109·7	122·1	126·7	121·4
Food, Drink and Tobacco ...	102·3	107·6	108·6	109·2	113·9	106·9	118·4
Total*	106·1	113·5	111·5	110·7	120·7	123·0	123·6

* Includes paper and printing, gas and electricity, rubber, cement and tiles.

UNEMPLOYMENT

(a) Percentage of Insured Workers

Date	1929	1930	1931	1932	1933	1934	1935	1936
End of—								
January	12·3	12·4	21·5	22·4	23·1	18·6	17·6	16·3
February	12·1	12·9	21·7	22·0	22·8	18·1	17·5	15·4
March	10·0	13·7	21·5	20·8	21·9	17·2	16·4	14·4
April	9·8	14·2	20·9	21·4	21·3	16·6	15·6	13·8
May	9·7	15·0	20·8	22·1	20·4	16·2	15·5	13·0
June	9·6	15·4	21·2	22·2	19·4	16·4	15·4	13·1
July	9·7	16·7	22·0	22·8	19·5	16·7	15·3	12·7
August	9·9	17·1	22·0	23·0	19·1	16·5	14·9	12·3
September	10·0	17·6	22·6	22·8	18·4	16·1	15·0	12·4
October	10·3	18·7	21·9	21·9	18·1	16·3	14·6	
November	10·9	19·1	21·4	22·2	17·9	16·3	14·6	
December	11·0	20·2	20·9	21·7	17·5	16·0	14·2	

(b) Actual Numbers Unemployed (in thousands)

	Mar., 1932	Mar., 1933	Mar., 1934	Mar., 1935	Sept., 1935	Mar., 1936	Aug., 1936	Sept., 1936
Number of Insured Persons unemployed—								
Wholly unemployed	2,129	2,205	1,814	1,727	1,559	1,551	1,288	1,312
Temporarily stopped	427	511	317	324	308	240	250	236
Normally in casual employment ...	104	105	94	92	86	88	74	72
Total	2,660	2,821	2,225	2,143	1,953	1,879	1,612	1,620

RAILWAY TRAFFIC RECEIPTS

	Four weeks ended				Aggregate for 43 weeks			
	Oct. 27, 1935.		Oct. 25, 1936.		1935.		1936.	
	Passengers.	Goods.	Passengers.	Goods.	Passengers.	Goods.	Passengers.	Goods.
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
Great Western ...	0·7	1·2	0·8	1·2	9·0	12·1	9·2	12·5
London & North Eastern*	1·1	2·4	1·2	2·4	13·9	22·8	14·1	23·8
London Midland & Scottish	1·8	2·9	1·9	3·1	21·3	29·1	21·8	30·7
Southern	1·1	0·4	1·1	0·4	13·2	3·9	13·5	4·0
Total	4·7	6·9	5·0	7·1	57·4	67·9	58·6	71·0

* The London & North Eastern Railway Returns are made up a day earlier each week than the other lines.

RETAIL TRADE

(from the Board of Trade Journal)

Change in value since same date in previous year

	Sept., 1933.	Sept., 1934.	Sept., 1935.	Aug., 1936.	Sept., 1936.
By CATEGORIES: Great Britain	%	%	%	%	%
Total	− 1·7	+ 4·1	+ 8·1	+ 7·4	+ 4·5
Food and Perishables	− 1·0	+ 3·7	+ 8·6	+ 8·8	+ 7·4
Other Merchandise of which					
Piece-goods*	− 1·8	− 4·9	+ 3·5	− 1·6	− 1·4
(i) Household Goods ...	+ 3·3	− 6·1	+ 4·0	+ 3·5	− 0·5
(ii) Dress Materials	− 6·7	− 4·3	+ 3·0	− 6·3	− 2·0
Women's Wear*...	− 6·1	+ 5·4	+ 9·6	+ 9·1	+ 1·4
(i) Fashion Departments ...	− 5·8	+ 7·2	+13·0	+12·9	+ 4·7
(ii) Girls' and Children's Wear	− 5·4	+ 4·8	+10·3	+15·5	− 1·3
(iii) Fancy Drapery	− 5·8	+ 3·9	+ 6·9	+ 4·1	− 2·5
Men's and Boys' Wear	− 5·1	+ 5·7	+ 9·7	− 5·0	− 3·8
Boots and Shoes...	− 6·1	+ 8·0	+ 8·6	+10·3	+ 6·0
Furnishing Departments ...	+ 2·7	+ 8·0	+ 6·2	+ 7·4	+ 3·2
Hardware	+ 7·6	− 1·1	+ 8·4	+ 1·3	+ 2·1
Fancy Goods	+ 2·9	+ 1·0	+ 3·3	+ 2·7	+ 4·7
Sports and Travel	− 1·3	+ 1·3	+ 1·8	− 3·9	+ 9·6
Miscellaneous and Unallocated	− 2·9	+ 6·3	+ 7·0	+18·1	− 2·8
By AREAS—					
All Categories—					
Scotland	+ 0·1	+ 5·8	+ 5·1	+ 3·9	+ 4·7
Wales and North of England...	− 2·4	+ 4·3	+ 7·2	+ 7·6	+ 4·5
South of England	− 0·4	+ 3·7	+ 9·8	+ 7·9	+ 4·8
London, Central & West End	− 4·0	+ 1·5	+ 7·1	+ 4·8	+ 3·6
London, Suburban	− 1·8	+ 5·3	+10·1	+10·4	+ 4·4

* Including some goods which cannot be allocated to sub-headings.

OVERSEAS TRADE

Date.	Imports. Food.	Imports. Raw Materials.	Imports. Manufactured Goods.	Imports. Total.	Exports. Food.	Exports. Raw Materials.	Exports. Manufactured Goods.	Exports. Total.
Monthly Average—	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
1925	47·5	35·4	26·6	110·1	4·6	7·0	51·4	64·4
1929	44·6	28·3	27·9	101·7	4·6	6·6	47·8	60·8
1930	39·6	20·9	25·6	87·0	4·0	5·3	36·7	47·6
1931	34·7	14·4	21·8	71·8	3·0	3·9	24·3	32·6
1932	31·1	13·7	13·1	58·5	2·7	3·6	23·0	30·4
1933	28·3	15·0	12·6	56·3	2·4	3·8	23·4	30·6
1934	28·9	17·5	14·3	61·0	2·5	4·0	25·4	33·0
1935	29·7	17·7	15·4	63·1	2·6	4·4	27·4	35·5
Sept., 1935	29·6	15·3	15·5	60·8	2·8	3·7	26·7	34·1
Sept., 1936	32·9	19·6	19·1	71·9	3·0	4·3	28·8	37·0

SOME LEADING IMPORTS

Date.	Wheat.	Iron Ore and Scrap.	Raw Cotton.	Raw Wool.	Hides, Wet and Dry.	Wood Pulp.	Rubber.	Iron and Steel Manufactures.
Monthly Average—	(thous. cwts.)	(thous. tons)	(thous. centals of 100 lbs.)	(thous. centals of 100 lbs.)	(thous. cwts.)	(thous. tons)	(thous. centals of 100 lbs.)	(thous. tons)
1925	8,071	373	1,578	606	155	103	163	227
1929	9,314	480	1,283	678	98	137	330	235
1930	8,731	363	1,011	652	108	128	326	243
1931	9,952	185	989	707	106	122	237	237
1932	8,803	159	1,048	765	105	153	176	133
1933	9,366	234	1,169	793	120	162	189	81
1934	8,552	392	1,052	657	116	187	395	114
1935	8,435	415	1,057	720	141	185	325	96
Sept., 1935	7,333	468	628	278	150	191	318	89
Sept., 1936	7,590	582	975	343	193	212	101	165

SOME LEADING EXPORTS

Date.	Coal.	Iron and Steel.	Machinery.	Cotton Yarns.	Cotton Piece-Goods.	Woollen Tissues.	Worsted Tissues.	Motor Cars.
Monthly Average—	(thous. tons)	(thous. tons)	(thous. tons)	(mill. lbs.)	(mill. sq. yds.)	(thous. sq. yds.)	(thous. sq. yds.)	(number)
1925	4,235	311	43	11·3	370	11,015	3,492	1,481
1929	5,022	365	47	11·8	306	9,016	3,490	1,991
1930	4,573	263	40	11·1	201	6,587	2,893	1,602
1931	3,563	165	27	11·4	143	4,694	2,479	1,429
1932	3,242	157	25	13·9	183	4,461	2,358	2,246
1933	3,256	160	23	15·8	169	5,110	2,741	2,821
1934	3,305	188	28	10·9	166	5,745	2,772	2,904
1935	3,226	198	32	11·8	162	5,941	3,218	3,683
Sept., 1935	2,929	184	30	10·1	150	6,419	3,057	3,507
Sept., 1936	3,031	183	32	11·8	154	6,856	2,915	3,946

PRICES

1. WHOLESALE PRICES

Date	Index Number (Sept. 16th, 1931 = 100).				
	U.K.	U.S.A.	France.	Italy.	Germany.
Average 1913	115·8	101·1	111·1	112·0	91·9
1925	177·9	152·3	154·1	148·9	130·2
1929	150·9	139·4	141·3	146·0	126·1
1931	107·7	103·5	105·5	103·5	101·9
1932	103·5	89·3	92·0	93·1	88·7
1933	103·5	93·7	87·7	86·6	85·7
1934	106·4	111·1	83·1	84·2	90·4
1935	108·1	120·3	78·4	—	93·5
End Sept., 1935 ...	109·9	124·0	78·0	103·7	94·1
„ Oct., 1935 ...	113·2	123·2	79·1	107·4	94·6
„ Sept., 1936 ...	118·5	121·8	96·4	—	95·9
„ Oct., 1936 ...	120·8	122·5	102·1	—	95·8

Sources: U.K., "Financial Times"; U.S.A., Irving Fisher; France, Statistique Générale; Italy, Italian Chamber of Commerce; Germany, Statistiche Reichsamt.

2. RETAIL PRICES (cost of living)

Date	Food	Rent (including Rates)	Clothing	Fuel and Light	Other Items included	All Items included
End of 1925 ...	71	48	125	80–85	80	75
1929 ...	57	52	115	75	80	66
1931 ...	31	54	90	75	75	47
1932 ...	23	55	85	70–75	70–75	42
1933 ...	24	56	85	70–75	70–75	42
1934 ...	25	56	85–90	70–75	70–75	44
End Sept., 1935...	28	58	85	70	70	45
„ Aug., 1936...	31	59	90	70–75	70	47
„ Sept., 1936...	32	59	90	75	70	48

The figures represent the percentage increase above July, 1914, which is equal to 100.

3. COMMODITY PRICES (average for month)

Date	Wheat No. 1 N. Manitoba.	Sugar Centrifugals U.K.	Cotton American Middling.	Wool 64's tops avge.	Pig-Iron, Cleveland No. 3.	Tin, Standard Cash.	Rubber Plantation, Sheet.
	per qr. s. d.	per cwt. s. d.	per lb. d.	per lb. d.	per ton. s. d.	per ton. £	per lb. d.
Average 1913 ...	36 10	—	7·01	$29\frac{5}{16}$	58 $1\frac{1}{2}$	—	$36\frac{3}{4}$
1925 ...	66 $4\frac{1}{8}$	12 9	12·65	$54\frac{13}{16}$	72 $9\frac{3}{4}$	$261\frac{5}{16}$	$34\frac{5}{16}$
1929 ...	54 $0\frac{3}{4}$	9 $0\frac{1}{8}$	10·29	$38\frac{7}{8}$	70 $4\frac{1}{4}$	$203\frac{11}{16}$	$10\frac{1}{4}$
1931 ...	28 $2\frac{3}{4}$	6 $4\frac{3}{4}$	5·08	$23\frac{1}{16}$	58 7	$118\frac{1}{8}$	$3\frac{1}{8}$
1932 ...	30 $6\frac{1}{2}$	5 $9\frac{1}{8}$	5·29	$22\frac{1}{16}$	58 6	$136\frac{5}{16}$	$2\frac{5}{16}$
1933 ...	28 2	5 4	5·53	$28\frac{5}{16}$	62 3	$194\frac{11}{16}$	$3\frac{1}{4}$
1934 ...	30 11	4 $8\frac{1}{8}$	5·66	$30\frac{11}{16}$	66 $10\frac{1}{2}$	230	$6\frac{5}{16}$
1935 ...	34 $3\frac{1}{8}$	4 8	6·69	28	67 10	$225\frac{13}{16}$	$5\frac{13}{16}$
Sept., 1935 ...	35 $10\frac{1}{8}$	4 $4\frac{1}{8}$	6·21	$30\frac{5}{8}$	67 6	$224\frac{5}{16}$	$5\frac{1}{8}$
Aug., 1936 ...	40 9	4 $4\frac{1}{8}$	6·84	$32\frac{1}{8}$	75 0	$183\frac{7}{8}$	$7\frac{13}{16}$
Sept., 1936 ...	40 3	4 7	6·80	$32\frac{1}{8}$	75 0	$194\frac{7}{8}$	$7\frac{15}{16}$

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